

**IN THE UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF PENNSYLVANIA**

LEXINGTON INSURANCE COMPANY,	:	CIVIL ACTION
	:	
Plaintiff,	:	
	:	
v.	:	NO. 02-CV-4435
	:	
DAVID FORREST et al,	:	
	:	
Defendants.	:	
	:	

AFFIDAVIT OF DAVID FORREST

I, David Forrest, of Fletland Mill House, Near Baston, Lincolnshire PE6 9NS

England, being duly sworn according to law, depose and say that:

1. I am a citizen and resident of the United Kingdom.
2. I am a defendant in this action.
3. I submit this affidavit in support of the Motion of Duane Morris LLP ("Duane Morris") for Leave to Withdraw as my Counsel in the above-captioned action.
4. I have been represented by Duane Morris in this action since October 2002.
5. I have read the affidavit of Edward M. Dunham the contents of which I
endorse.
6. At the time I retained Duane Morris, I agreed that

[Duane Morris'] statements will be rendered monthly and are payable within 30 days. In the event that [Duane Morris'] statements are not timely paid, or that payment terms satisfactory to us are not established, [Duane Morris] reserve[s] the right to renegotiate the terms of this engagement, to terminate it and withdraw from this or any representation of [me] . . .

Once a trial or hearing date is set, [Duane Morris] will require [me] to pay all amounts then owing to [them] and to deposit with [them] the fees [Duane Morris] estimate[s] will be incurred in preparing for and completing the trial or arbitration, as well as jury fees and arbitration fees likely to be assessed. If [I] fail to timely pay any additional

deposit requested, [Duane Morris] will have the right to cease performing further work and to withdraw from the representation . . .

7. I have tried to comply with my payment obligations, but have been unable to do so.

8. Since 2000, due to the allegations against me by the Lexington Insurance Company in this matter and in the English Administration proceedings for Flashpoint, I have been unable to secure employment, which has affected my ability to pay legal fees and costs associated with this litigation. Being unemployed for five years has resulted in the exhaustion of my savings.

9. In order to meet portions of Duane Morris' legal bills, I have recently re-mortgaged my house. Despite my most recent payment to Duane Morris at the end of October 2004, my outstanding invoices from Duane Morris total approximately \$46,226.74. I also have substantial debts to my attorneys in London.

10. Although I fully intend to retire the current balance owed to Duane Morris, I do not presently have a source of funds with which to do so.

11. Moreover, there is no possibility at all of being able to pay the future legal fees and costs estimated by Mr Dunham in this case. I have no income and until this litigation has been resolved, the truth established and my reputation restored, I have no prospect of securing one.

12. In an attempt to limit my legal fees and costs, I have restricted my contact with Duane Morris. On several occasions, however, Duane Morris has expressed displeasure at the limited nature of their contact with me due to their professional obligations. I nevertheless am adamant that I must restrict this contact so as to prevent continuing to incur fees which I know that I cannot afford and which will serve only to place me further in debt.

13. Duane Morris also wishes to participate in depositions and engage expert witnesses on my behalf, but I cannot afford this representation. The result of my limited

contact with Duane Morris and my instructions to Duane Morris to limit their representation of me has caused an incurable conflict between my attorneys and me.

14. My engagement letter with Duane Morris permits me to terminate Duane Morris' relationship of me as follows:

You may terminate our representation at any time by notifying us. Your termination of our services will not affect your responsibility for payment of outstanding statements and accrued fees and expenses incurred before the termination or incurred thereafter in connection with an orderly transition of the matter . . .

15. I recently informed Duane Morris that I wish for them to terminate their representation as my counsel in this matter and instructed them to prepare the Motion to Withdraw as my Counsel, in support of which I submit this declaration.

16. Duane Morris' engagement letter also permits them to withdraw as my counsel if I fail to meet my payment or other obligations under the agreement.

17. I am unable to retain substitute counsel, nor can I afford to pay substitute counsel.

18. Going forward, I wish to represent myself *pro se*.

19. Duane Morris has advised me of the risks of representing myself.

20. Although I am a citizen of the United Kingdom, I have previously testified as an expert in a United States District Court and feel reasonably comfortable with U.S. courtroom procedure. In fact, I have given expert testimony in more than 25 cases in three different countries and I am therefore familiar with Court procedures.

21. I understand that I must comply with all Court deadlines and Orders as if I were represented by counsel and that I must participate in all required activities in this case. I can be accessible to the Court and other parties in this litigation via e-mail, facsimile, and telephone. I also understand that I must make myself available for a deposition in this case.

I understand that, if I fail to do these things, that sanctions or a judgment may be entered against me.

22. In light of the foregoing, I request that the Court permit Duane Morris to withdraw as my counsel and permit me to represent myself *pro se*.

The foregoing is true and correct based upon my personal knowledge and belief..

Dated: December ____, 2004

/s/ David Forrest
DAVID FORREST

Sworn to and subscribed before me

this _____ day of December, 2004

NOTARY PUBLIC